

EXHIBIT PP

EXECUTION COPY

RED RIVER CLO LTD.

Issuer

RED RIVER CLO CORP.

Co-Issuer

AND

STATE STREET BANK AND TRUST

Successor Trustee

AMENDMENT NO. 1

TO

INDENTURE

Dated as of October 2, 2007

COLLATERALIZED DEBT OBLIGATIONS

THIS AMENDMENT NO. 1 TO INDENTURE (the “Amendment”), dated as of October 2, 2007, among Red River CLO Ltd. (the “Issuer”), Red River CLO Corp. (the “Co-Issuer”) and State Street Bank and Trust, as successor in interest to Investors Bank & Trust Company (the “Successor Trustee”), hereby amends the Indenture, dated as of August 3, 2006, among the Issuer, the Co-Issuer and the Successor Trustee (the “Indenture”).

W I T N E S S E T H

WHEREAS, the Issuer, the Co-Issuer and U.S. Bank National Association (the “Original Trustee”) entered into the Indenture;

WHEREAS, the Issuer, the Co-Issuer and the Successor Trustee entered into the Supplemental Indenture No. 1, dated as of March 28, 2007, which replaced the Original Trustee with the Successor Trustee;

WHEREAS, the Issuers and the Noteholders desire to amend certain definitions contained in the Indenture;

WHEREAS, Highland Capital Management, L.P. acts as Servicer with respect to the Collateral;

WHEREAS, Section 8.2 of the Indenture provides that the Indenture may be amended by the Issuer, Co-Issuer and the Trustee with the consent of the Servicer, Majority of each Class of Notes adversely affected thereby and a Majority of the Preference Shares adversely affected thereby;

WHEREAS, the necessary consents pursuant to the preceding paragraph have been obtained;

WHEREAS, Section 8.2 of the Indenture provides that the Ratings Agencies shall confirm that this Amendment to the Indenture will not cause the rating of any Class of Notes to be reduced or withdrawn; and

WHEREAS, the Ratings Agencies have confirmed that this Amendment to the Indenture will not cause the rating of any Class of Notes to be reduced or withdrawn.

NOW, THEREFORE, the parties hereto agree as follows:

SECTION 1. Defined Terms.

For purposes of this Amendment, all capitalized terms which are used but not otherwise defined herein shall have the respective meanings assigned to such terms in the Indenture.

SECTION 2. Amendment.

Section 1.1 of the Indenture is hereby amended to replace in its entirety the definition of Servicing Fee Portion with the following:

“Servicing Fee Portion”: 100% minus (a) for any Payment Date from the Closing Date until (and including) the Payment Date in February 2008, the Class II Preference Share Percentage for such Payment Date and (b) for any other Payment Date, a percentage (between 0% and 100%) selected by the Servicer in its sole discretion and reported to the Trustee in writing on or before the related Determination Date; provided that, with respect to the Payment Date in May 2008, such percentage shall be a minimum of the product of (i) the Class II Preference Share Percentage for such Payment Date and (ii) 3.3%.

SECTION 3. Effect of Amendment.

Upon execution of this Amendment, the Indenture shall be, and be deemed to be, modified and amended in accordance herewith and the respective rights, limitations, obligations, duties, liabilities and immunities of the Issuer, Co-Issuer and the Successor Trustee shall hereafter be determined, exercised and enforced subject in all respects to such modifications and amendments, and all the terms and conditions of this Amendment shall be deemed to be part of the terms and conditions of the Indenture for any and all purposes. Except as modified and expressly amended by this Amendment, the Indenture is in all respects ratified and confirmed, and all the terms, provisions and conditions thereof shall be and remain in full force and effect.

SECTION 4. Binding Effect.

The provisions of this Amendment shall be binding upon and inure to the benefit of the Issuer, the Co-Issuer and the Successor Trustee and each of their respective successors and assigns.

SECTION 5. GOVERNING LAW.

THIS AMENDMENT TO THE INDENTURE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED THEREIN WITHOUT REFERENCE TO ITS CONFLICT OF LAW PROVISIONS, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

SECTION 6. Severability of Provisions.

If any one or more of the provisions or terms of this Amendment shall be for any reason whatsoever held invalid, then such provisions or terms shall be deemed severable from the remaining provisions or terms of this Amendment and shall in no way affect the validity or enforceability of the other provisions or terms of this Amendment.

SECTION 7. Section Headings.

The section headings herein are for convenience of reference only, and shall not limit or otherwise affect the meaning hereof.

SECTION 8. Counterparts.

This Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature pages follow]

IN WITNESS WHEREOF, the Issuer, Co-Issuer and the Successor Trustee have caused their names to be signed hereto by their respective officers thereunto duly authorized, all as of the day and year first above written.

RED RIVER CLO LTD.,
as Issuer

By: 
Name: **VIJAYABALAN MURUGESU**
Title: **DIRECTOR**

RED RIVER CLO CORP.,
as Co-Issuer

By: _____
Name:
Title:

STATE STREET BANK AND TRUST, as
Successor Trustee

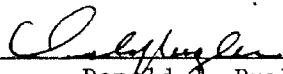
By: _____
Name:
Title:

IN WITNESS WHEREOF, the Issuer, Co-Issuer and the Successor Trustee have caused their names to be signed hereto by their respective officers thereunto duly authorized, all as of the day and year first above written.

RED RIVER CLO LTD.,
as Issuer

By: _____
Name:
Title:

RED RIVER CLO CORP.,
as Co-Issuer

By: 
Name: Donald O. Puglisi
Title: President

STATE STREET BANK AND TRUST, as
Successor Trustee

By: _____
Name:
Title:

IN WITNESS WHEREOF, the Issuer, Co-Issuer and the Successor Trustee have caused their names to be signed hereto by their respective officers thereunto duly authorized, all as of the day and year first above written.


RED RIVER CLO LTD.,
as Issuer

By: _____
Name:
Title:


RED RIVER CLO CORP.,
as Co-Issuer

By: _____
Name:
Title:


STATE STREET BANK AND TRUST, as
Successor Trustee

By:  _____
Name: **Brian Peterson**
Title: **Director**

CONSENTED AND AGREED TO BY:


Name: Todd Travers
Title: CEO & CIO
E-mail address: tatravers@hcmvp.com
Aggregate Outstanding Amount/Face Amount of Class II
Preferred Shares Held: 45,000,000
CUSIP/ISIN: 756873204

HIGHLAND CAPITAL MANAGEMENT, L.P., as
Servicer

By: 
Name: Todd Travers
Title: Senior Portfolio Manager
Highland Capital Management, L.P.